

Comments on FTC Proposed Rule

First of all, my wife and I have been involved with the Quixtar opportunity since it's inception. The Quixtar business works with our lifestyle, being that it is flexible. We can work together as a team as well as work with other people who think the same way. We feel that we are helping people by presenting them with an opportunity to make additional income to reach their dreams and goals.

When we were registered, we felt we were given adequate information to make a decision regarding registration and starting our own business. We felt we had dreams and goals that we wanted to accomplish, and these would be reached by pursuing this opportunity. We have met the goal of learning how to work together in the business. Another goal we are working on is to earn enough income to obtain a new car.

When we register prospects as IBO's, we give them a welcome letter with contact information for our sponsors, Quixtar, and us. In addition, this welcome letter instructs the new IBO on how to access our business website and the Quixtar website using their IBO number and temporary password. We also give them various items including product samples, product and service literature, and some training materials. The training materials include goal setting, prospect list building, positive / motivational books, and training tapes / CD's. We explain to the prospect that the business will take persistent, consistent work, and it is not a "get rich quick" plan with guarantees. During our prospecting efforts, we do not mention the amount of money prospects can make. Prospects learn this information when they attend the business presentation. Typically, prospects will register with Quixtar for approximately \$117.00. We encourage them to register with BWW by signing the BSMAA form and purchasing a BWW Starter Pack, which includes training materials. New IBO's can obtain a full refund for up to six months on the Quixtar registration. If they purchase any training materials, they can obtain a full refund for up to six months.

The Proposed Rule states that prospects would have to wait seven days after receiving disclosures before they could register. We always give prospects information in the business presentation regarding credible sources to review such as the Better Business Bureau website, www.thisbiznow.com, www.quixtarfacts.com, etc. before making a decision. In addition, we already allow the prospect two business days to examine our literature pack, which they receive immediately after viewing the presentation if they decide to pursue the opportunity. This literature pack contains information regarding the credibility of our business as well as income of the average independent business owner. We feel the seven-day waiting period will allow too much time to elapse while the prospect has our literature. This will cause issues with getting the literature pack back from a prospect that has not made a decision. In addition, this requirement will adversely affect our profitability as well as the new IBO's profitability. The new IBO's friends and family would have to wait to be registered and this would discourage everyone.

The Proposed Rule states that the registering person would be required to give every prospect a list of “references” – the names, addresses, and phone numbers of ten other IBO’s in the area – seven days before the prospect registers. We feel that this requirement should be eliminated. This requirement will be too burdensome knowing we will need to obtain the consent of the individuals’ names and contact information before it is given to the prospect. Otherwise, we would be violating their privacy. We always invite prospects to the business presentation where they have the opportunity to meet the speaker and ask questions. They can also meet our sponsor / business mentor as well as other IBO’s within our group and our sponsor’s group.

The Proposed Rule states that we would have to give every prospect a list of all lawsuits, arbitrations, and other legal claims for the past ten years involving Quixtar and its IBO’s where the plaintiff alleged fraud, misrepresentation, or unfair trade practices - regardless of whether or not the accusation was true. We feel this requirement will put too much burden on IBO’s knowing that many of them will have no idea where to get this information. Furthermore, the likelihood of a prospect reviewing this information is low and will only confuse them.

The Proposed Rule states that we should disclose the income potential of the Quixtar business. Presently, we are providing this information in our literature pack, and it is also disclosed in the business presentation.

The Proposed Rule states that we should disclose personal income related to our Quixtar business. We do not make claims about our business income since we feel this would be a violation of our privacy. We do not ask any prospect to disclose their personal income related to their job while prospecting, or before or after registration since this would be a violation of their privacy. We feel that the prospect should not make a judgment about the success of their business based on the success of our business. The level of success for each business owner is based on their own efforts as well as their level of dreams and goals.